

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of:)
)

United Trust Bank)
Bridgeview, Illinois)

OTS Docket No. 16310)
_____)

Order No.: **ATL-2006-05**

Date: **April 10, 2006**

**STIPULATION AND CONSENT TO ISSUANCE OF AN
ORDER TO CEASE AND DESIST FOR AFFIRMATIVE RELIEF**

WHEREAS, the Office of Thrift Supervision (OTS), based upon information derived from the exercise of its regulatory responsibilities, is of the opinion that grounds exist to initiate an administrative cease and desist proceeding against United Trust Bank, Bridgeview, Illinois, OTS Docket No. 16310 (United Trust Bank or Bank) pursuant to 12 U.S.C. 1818(b),¹ and

WHEREAS, United Trust Bank desires to cooperate with the OTS and to avoid the time and expense of such administrative proceeding, and

WHEREAS, United Trust Bank enters into this Stipulation and Consent to the Issuance of an Order to Cease and Desist for Affirmative Relief (Stipulation): (i) without any adjudication on the merits, (ii) without admitting or denying that such grounds exist to initiate an administrative cease and desist proceeding, (iii) without admitting or denying the Findings of Fact, except as to Jurisdiction (paragraph 1 below), which jurisdiction is admitted, and (iv) solely for the purpose of settling this matter in

¹ All references to the United States Code (U.S.C.) are as amended, unless otherwise indicated.

accordance with Rule 408 of the Federal Rules of Evidence and equivalent state provisions.

NOW, THEREFORE, on these premises, United Trust Bank hereby stipulates and agrees as follows:

1. Jurisdiction.

a. United Trust Bank is a “savings association” within the meaning of 12 U.S.C. 1813(b) and 12 U.S.C. 1462(4). Accordingly, it is an “insured depository institution” as that term is defined in 12 U.S.C. 1813(c).

b. Pursuant to 12 U.S.C. 1813(q), the Director of the OTS is the “appropriate Federal banking agency” to maintain an administrative cease and desist proceeding against such a savings association. Therefore, United Trust Bank is subject to the jurisdiction of the OTS to initiate and maintain a cease and desist proceeding against it pursuant to 12 U.S.C. 1818(b). The Director of the OTS has delegated to the Regional Director of the Southeast Region of the OTS or his/her designee (Regional Director) the authority to issue cease and desist orders where the institution has consented to the issuance of the order.

2. OTS Findings of Fact.

a. The OTS finds that United Trust Bank has engaged in certain unsafe and unsound practices, and violated several regulations adopted to implement the Currency and Foreign Transactions Reporting Act, as amended by the USA Patriot Act and other laws (collectively the Bank Secrecy Act), 31 U.S.C. 5311 et seq., as described in detail in the OTS’s Reports of Examination dated January 3, 2005 and May 31, 2005. These violations include, but are not limited to, violations of:

1. 12 C.F.R. 103.121(b) (implementation of customer identification program);
2. 12 C.F.R. 563.177(c)(1) (maintenance of a system of internal controls);
3. 12 C.F.R. 563.177(c)(4) (training of appropriate personnel);
4. 12 C.F.R. 103.22(b)(1), and (c)(2), and 103.27(d) (filing currency transaction reports (CTRs)).

b. The Bank also violated 12 C.F.R. 563.180(d) (filing suspicious activity reports (SARs)).

c. In addition, United Trust Bank violated specific terms of the Order to Cease and Desist for Affirmative Relief, OTS Order No. ATL-2004-13, issued by the OTS on May 27, 2004 and the Consent Order to Cease and Desist for Affirmative Relief, OTS Order No. CHI-01-13, issued by the OTS on November 5, 2001.

3. **Consent.** United Trust Bank consents to the issuance by the OTS of the accompanying Order to Cease and Desist for Affirmative Relief (Order). It further agrees to comply with the terms of the Order upon issuance and stipulates that the Order complies with all requirements of law.

4. **Finality.** The Order is issued under 12 U.S.C. 1818(b). Upon its issuance by the Regional Director, it shall be a final order, effective and fully enforceable by the OTS under the provisions of 12 U.S.C. 1818(i).

5. **Waivers.** United Trust Bank waives the following:

- a. the right to be served with a written notice of the OTS's charges against it;
- b. the right to an administrative hearing of the OTS's charges against it;

- c. the right to seek judicial review of the Order, including, without limitation, any such right provided by 12 U.S.C. 1818(h), or otherwise to challenge the validity of the Order;
- d. any and all claims against the OTS, including its employees and agents, and any other governmental entity for the award of fees, costs or expenses related to this OTS enforcement matter and/or the Order, whether arising under common law, the Equal Access to Justice Act, 5 U.S.C. 504, or 28 U.S.C. 2412; and
- e. the right to assert this proceeding, its consent to the issuance of the Order or the issuance of the Order, as the basis for a claim of double jeopardy in any pending or future proceeding brought by the United States Department of Justice or any other governmental entity.

6. **Other Governmental Actions Not Affected.** United Trust Bank acknowledges and agrees that its consent to the issuance of the Order does not release, discharge, compromise, settle, dismiss, resolve, or in any way affect any actions, charges against or any other proceeding that may be or has been brought by the OTS or another governmental entity.

7. **Reservation of Rights.** United Trust Bank acknowledges that OTS reserves the right to bring such additional action(s), charge(s), or proceeding(s) arising from or related in any way to the Findings of Fact or any other matter, as the OTS deems appropriate, in its sole discretion.

8. Miscellaneous.

- a. The construction and validity of this Stipulation and the Order shall be governed by the laws of the United States of America;
- b. All references to the OTS in this Stipulation and the Order shall also mean any of the OTS's predecessors, successors, and assigns;
- c. The section and paragraph headings in this Stipulation and the Order are for convenience only and shall not affect the construction hereof;
- d. If any provision of this Stipulation or the Order is ruled invalid, illegal, or unenforceable by the decision of any Court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or impaired thereby, unless the Regional Director in his/her sole discretion determines otherwise; and
- e. This Stipulation and the Order shall remain in effect until terminated, modified, or suspended in writing by the OTS, acting through its Director, Regional Director, or other authorized representative.

9. Signature of Directors. Each Director signing this Stipulation attests that he/she voted in favor of a resolution authorizing the execution of the Stipulation.

WHEREFORE, United Trust Bank, by a majority of its directors, executes this Stipulation and Consent to the Issuance of an Order to Cease and Desist for Affirmative Relief, intending to be legally bound hereby.

United Trust Bank

OFFICE OF THRIFT SUPERVISION

Accepted by a majority
of its directors:

By: /s/
Director Muhammed Alaraj

/s/
John E. Ryan
Regional Director, Southeast Region

Dated: April 10, 2006

By: /s/
Director Josephine Corso

By: /s/
Director Neil J. Haleem

By: /s/
Director Alan C. Hambourger

By: /s/
Director Khalil H. Khalil

By: Not a director.
Director Joseph G. Migely — See Letter of 3/6/06 Attached

By: /s/
Director Bassam Salam

By: absent
Director Nemer Ziyad

UNITED STATES OF AMERICA
Before The
OFFICE OF THRIFT SUPERVISION

In the Matter of:)
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United Trust Bank)
Bridgeview, Illinois)

OTS Docket No. 16310)
_____)

Order No.: **ATL-2006-05**

Date: **April 10, 2006**

ORDER TO CEASE AND DESIST FOR AFFIRMATIVE RELIEF

WHEREAS, United Trust Bank, Bridgeview, Illinois (United Trust Bank or Bank) has executed a Stipulation and Consent to Issuance of an Order to Cease and Desist for Affirmative Relief (Stipulation); and

WHEREAS, the Bank, by its execution of the Stipulation, has consented and agreed to the issuance of this Order to Cease and Desist for Affirmative Relief (Order) pursuant to 12 U.S.C. 1818(b);¹ and

WHEREAS, the Director of the Office of Thrift Supervision (OTS) has delegated to the Regional Directors of the OTS the authority to issue consent orders on behalf of the OTS pursuant to provisions of 12 U.S.C. 1818.

NOW, THEREFORE, IT IS ORDERED THAT:

1. **Compliance with Laws and Regulations.** The Bank and its directors, officers, employees, and agents shall cease and desist from any action (alone or with

¹ All reference to the United States Code (U.S.C.) are as amended, unless otherwise indicated.

another or others) for or toward causing, bringing about, participating in, counseling or aiding and abetting any violation of:

a. The Currency and Foreign Transactions Reporting Act, as amended by the USA Patriot Act and other laws (the Bank Secrecy Act or BSA), 31 U.S.C. 5311 et seq., and the regulations issued there under by the United States Department of the Treasury, 31 C.F.R. 103.11 et seq., and the related BSA regulations issued by the OTS, 12 C.F.R. 563.177 (collectively with the aforementioned laws and regulations, the "BSA Laws and Regulations");

b. The OTS regulations requiring the filing of suspicious activity reports (SARs), 12 C.F.R. 563.180; and

c. Any unsafe or unsound practice relating to the BSA Laws and Regulations and OFAC regulations and guidelines.

IT IS FURTHER ORDERED THAT:

Corrective Provisions

2. Bank Secrecy Act Compliance Program.

a. The Bank has performed a deposit level AML risk assessment and the Bank shall expand the risk assessment by focusing on all of its customers, products, services, and geographic locations, which shall be reviewed and approved by the Board of Directors of the Bank by no later than March 31, 2006. The Bank shall submit the AML risk assessment to the OTS by April 15, 2006.

b. By April 30, 2006, the Board of Directors shall revise the Bank's BSA/AML compliance program to address and include:

1. The results of its AML risk assessment as required by subparagraph (a) above;
2. Recommendations of the Bank's outside compliance consultant in accordance with paragraph 3 of this Order;
3. Revisions required by OTS's Report of Examination of the Bank, as of January 3, 2005, which have not already been incorporated into the Bank's compliance program;
4. Adequate staffing, including a qualified BSA Officer responsible for coordinating and monitoring day-to-day BSA compliance, whose appointment was reported to the OTS during the examination in February 2005;
5. Effective internal controls implemented to ensure compliance with BSA Laws and Regulations in accordance with paragraph 5 of this Order;
6. Recommendations from internal BSA audits, which have been reviewed and documented by Bank management and staff and appropriate changes have been made in accordance with paragraph 6 of this Order;
7. A comprehensive training plan for all personnel (including management and the Board) in accordance with paragraph 7 of this Order;
8. Independent testing plan of BSA functions;
9. Clear and thorough written delegation(s) of responsibility for management oversight of all BSA reporting and filing functions;
10. Effective plans for monitoring of transactions, including cash deposits and withdrawals, cash sale of monetary instruments, incoming and outgoing funds transfers, and ACH transactions, for suspicious or unusual activities;

11. Effective plans for monitoring of activities to enable the filing of SARs in a timely, complete and accurate manner in accordance with paragraph 8 of this Order;

12. Program for monitoring for compliance with the Office of Foreign Assets (OFAC) regulatory requirements (31 C.F.R. Part 500) and guidelines, including the monitoring of international wire transfers; and

13. Continuing implementation of the policies and procedures required by this Order.

c. The Board shall review and approve the Bank's BSA/AML compliance program on an annual basis, and more frequently if required by regulation or if the Bank significantly changes any of its major business lines and products, methods of delivery of such products, geographic markets, or the type of customers that it serves. The Board's annual review shall address and document: (i) the scope of coverage of the BSA/AML compliance program with respect to regulatory requirements, (ii) the adequacy of internal controls, (iii) the adequacy of independent testing and the implementation of corrective actions, (iv) the ability of the designated BSA Officer and staff to coordinate and monitor day-to-day compliance with BSA Laws and Regulations, and (v) the adequacy of training of all personnel, including the Board and senior management. The Board shall make the appropriate revisions to, and the Bank shall comply with the revised BSA/AML compliance program.

d. The Bank shall submit the BSA/AML compliance program to the OTS no later than 15 days after revision and any subsequent material revision.

3. **Bank Secrecy Act Consultant.**

a. The Board has employed a third-party management consultant approved by OTS: (i) to conduct a study of the Bank's compliance with the BSA Requirements, and (ii) to assist and advise the Bank on implementation of its BSA/AML obligations.

b. By March 31, 2006, the consultant shall formally assess the levels of risk for compliance with the BSA Requirements throughout the Bank, including risks for all customers, products, services and geographic areas. This assessment will be included within the risk assessment to be performed by the Bank pursuant to paragraph 2 of this Order.

c. By April 30, 2006, the consultant shall complete a study of the Bank's BSA compliance policies and procedures, including the responsibilities, competence, and capabilities of the Bank's BSA Officer and the BSA Officer's supporting staff. The findings and recommendations of the consultant shall be set forth in a written report to the Board. At a minimum, the report shall address the following issues:

1. the adequacy of the Bank's BSA compliance program and BSA procedures;
2. the level and scope of responsibilities of the BSA Officer and his/her supporting staff;
3. the capability of the BSA Officer and supporting staff to monitor and ensure compliance with the BSA Requirements, including: (i) knowledge of the process and systems for monitoring suspicious activities, (ii) knowledge and expertise concerning the BSA Requirements, (iii) knowledge and expertise in fraud control and compliance monitoring, (iv) ability to correct identified deficiencies, (v) reporting

structure and access to the Board of Directors, (vi) the Bank's methodology for collecting, maintaining, and recalling information related to transactions that pose greater than normal risks for BSA compliance, and (vii) evaluation of the types of transactions, accounts, products, services, and geographic areas, that pose greater than normal risks for compliance with the BSA Requirements.

d. The Bank employed the consultant in November 2005 for a period of at least twelve (12) months. The consultant shall meet with the BSA Officer and his/her staff, and with the Compliance Committee described in paragraph 11 of this Order, on a frequent basis to assist each in carrying out their BSA duties and responsibilities.

4. Bank Secrecy Act Procedures.

The Bank shall periodically review, document and update its BSA procedures to be consistent with the Bank's BSA/AML compliance program and all applicable BSA Requirements. The Bank shall update the BSA procedures promptly to reflect any change in applicable laws and regulations or the Bank's BSA/AML compliance program, or to address any AML risk that the Bank identifies resulting from a significant change in major business lines or products, methods of delivery of such products, geographic markets, or the type of customer that it serves, or comments in Reports of Examination, independent tests, quarterly audits, or recommendations from outside consultants.

5. Bank Secrecy Act Internal Controls.

The Board shall continue to develop, approve and provide oversight to its BSA internal control program. This program shall provide for the appropriate identification and monitoring of accounts and transactions that pose greater than normal

risks for compliance with the BSA Requirements. This written program should include the following:

- a. detailed procedures for identifying, monitoring, recording, maintaining, and recalling information about accounts, customers, products, and transactions that pose greater than normal risks for compliance with the BSA Requirements;
- b. appropriate procedures for monitoring of cash transactions, monetary instruments, wire transfers and ACH transactions for activities that are considered suspicious or unusual. At a minimum, these procedures shall include : (i) review of cash purchases of monetary instruments, (ii) analysis of aggregate cash, monetary instrument and wire activity, (iii) filing of and periodic analysis of SARs and CTRs, (iv) automatic review of accounts or customers for which the Bank has received criminal subpoenas that may involve the BSA, and (v) periodic review of accounts and transactions that the Bank has identified as high-risk;
- c. appropriate thresholds established by the Bank for monitoring accounts, customers, products, and services for compliance with the BSA Requirements, including meaningful thresholds for filtering accounts and customers for further review, periodic analysis of the filtering thresholds, and periodic testing of thresholds for their appropriateness to the Bank's customer base, products, services and geographic area;
- d. account opening procedures as required under the Customer Identification Program for compliance with the BSA Requirements pertaining to identification of account owners and beneficial owners. The Bank shall consider not opening any new account, and shall consider closing any existing account, if the Bank does not receive adequate customer identification information;

e. due diligence of customer accounts at levels deemed appropriate by the Bank at account opening and at other reasonable intervals which includes documenting analysis associated with the due diligence process;

f. an integrated, accurate system for all Bank areas to produce periodic reports designed to identify unusual or suspicious activity and to maintain accurate information needed to produce such reports. The periodic reports should segregate all accounts and transactions considered by the Bank to be high-risk, and all accounts and transactions subject to any subpoena or law enforcement inquiry directed to the Bank; and

g. the Bank shall ensure that it has processes, personnel, and control systems reasonably designed to implement and adhere to the requirements of this Order.

6. Bank Secrecy Act Audit and Independent Test Functions.

a. By April 30, 2006, the Bank shall develop and implement an audit program to quarterly test and document (Quarterly Audit) the adequacy of internal controls designed to ensure compliance with the BSA Requirements.

b. The Independent Test shall be performed at least annually by a qualified outside party retained by the Bank, who is different than the party conducting the Quarterly Audit program.

c. The Quarterly Audit and Independent Test required by subparagraphs (a) and (b) above shall include, at a minimum:

1. Appropriate testing methods to determine the adequacy of the Bank's policies and internal procedures for BSA compliance, including transaction

testing and verification of data for accounts that the Bank considers high-risk and customers of special concern designated by the Bank;

2. Review of compliance with the information-sharing requirements under section 314 of the USA Patriot Act, including procedures for receiving, reviewing, and responding to section 314(a) requests from the Financial Crimes Enforcement Network;

3. Test of the Bank's customer identification program (CIP) to determine its effectiveness in complying with applicable requirements;

4. Review of identification and reporting of suspicious activities and the timeliness and completeness of SAR filings;

5. Review of CTRs for completeness, accuracy, and timeliness;

6. Review of tellers' performance, daily cash reports, and high dollar reports;

7. Confirmation of the integrity and accuracy of the Bank's BSA recordkeeping activities and adherence to in-house record retention schedules;

8. If applicable, review of compliance with rules for exemptions from CTR filing requirements (including review of the monitoring systems for exempt customers, the filing of the required forms to designate an entity as exempt from the CTR requirements, and the reasonableness of the exemptions granted), if any;

9. Review of compliance with procedures for maintaining required information from customers purchasing monetary instruments for cash in amounts between \$3,000 and \$10,000, and for ensuring that appropriate identification measures are in place;

10. Review of wire transfer operations, correspondent accounts with foreign banks, and due diligence procedures for correspondent and private banking accounts, if any;

11. Review of training records;

12. Test of the Bank's policies and procedures regarding the designation of activities/customers/accounts that the Bank considers high-risk;

13. Review of the process for implementation of adequate and appropriate corrective actions;

14. Monitoring of cash shipments to and from the Federal Reserve Bank and the Bank's correspondent bank(s);

15. Review of the Institution's OFAC policies and procedures; and

16. Review of management's prompt response to all exceptions and other recommendations of any auditor or consultant concerning BSA matters, or any findings or recommendations of the OTS.

d. The methodology and results of the Independent Test and Quarterly Audits shall be described in written reports. The Board shall review and consider the Independent Test Report and the Quarterly Audit Reports within thirty (30) days after their completion. The Board minutes shall reflect clearly and specifically the Board's consideration of the Independent Test and Quarterly Audits and its decisions regarding specific corrective actions.

7. Training.

a. By no later than March 31, 2006, the Board shall specifically approve a comprehensive training program that provides for cross-training of essential job

responsibilities and internal procedures performed by each employee above the teller level of the Bank (Training Program). Senior management shall be responsible for identifying each essential job responsibility and internal procedure as well as selecting who shall be responsible for providing appropriate back-up should the primary employee be unavailable. Cross-training of job responsibilities and internal procedures shall be included in the Training Program in accordance with sections c, d, e, and f of this paragraph.

b. The Training Program shall also ensure that each officer and employee is knowledgeable of the specific requirements of the applicable BSA Requirements, and other internal procedures for which he/she is responsible. The Training Program shall also ensure that each director has sufficient BSA knowledge as is commensurate with their position. Each director, officer, and employee who is subject to the training requirement above shall receive training no less frequently than annually, and more frequently if required by changes in the Bank's AML risk profile, BSA Requirements, or the Bank's BSA procedures or an assessment of an individual's skills and job responsibilities.

c. The Training Program shall address: (i) training for all employees, (ii) requirements for mandatory attendance, (iii) frequency and duration of training, (iv) procedures for updating the Training Program and material on a regular basis, (v) testing for employee comprehension of and proficiency with the applicable area, and (vi) the training curriculum, including the delivery method.

d. By no later than April 15, 2006 the Board shall provide to OTS a one-year training schedule for all Bank personnel that complies with all of the requirements in

paragraph 7, and will thereafter on an annual basis provide a training schedule prior to the beginning of the year.

e. The Bank shall maintain detailed training records for a period of five (5) years after such training. The training records shall address the scope, duration, and content of the training provided and attendance. The Board shall designate an officer for maintaining the training records and for auditing compliance with the training schedule.

f. No later than April 15, 2006, and no less frequently than annually thereafter, the designated officer shall submit a written report to the Board that: (i) sets forth the scope and frequency of training, (ii) evaluates the effectiveness of the Training Program, (iii) addresses deficiencies noted in the Training Program as a result of independent testing, internal audit, or by the OTS, and (iv) recommends any enhancements to the Training Program.

8. Suspicious Activity Reports.

a. By April 30, 2006, the Bank shall review and determine whether its existing policies and procedures are adequate to ensure compliance with 12 C.F.R. 563.180 regarding SARs.

b. The Bank's policies and procedures concerning SARs shall continue to include, but not be limited to:

1. designating qualified individuals responsible for preparing, filing, and overseeing preparation of SARs;
2. designating a process for establishing expected account activity levels;
3. reconciling activity levels of accounts that the Bank considers high-risk against customer profiles;

4. obtaining timely and adequate explanations of activity generated by monitoring reports;
5. maintaining exception reports to assist in detecting patterns of unusual activity;
6. reviewing automatic systems reports or other similar reports for: (i) evidence of structured transactions, (ii) evidence of multiple accounts tied to one taxpayer identification number, (iii) evidence of multiple accounts tied to a single transactor, (iv) customers with frequent cash transactions who have provided a foreign address, or U.S. post office box address, or who have requested that the Bank hold monthly statements, and (v) large deposits of cashier's checks, money orders, or similar instruments drawn on other financial institutions; and
7. monitoring activities of the Bank to detect suspicious activities, including designating an individual(s), other than the Bank Secrecy Officer or a member of his/her staff, to review determinations as to whether or not to file a SAR, and to review the completeness of each SAR filed.

9. Business Plan.

a. The Board has submitted a revised Business Plan, organized on a monthly basis, through December 31, 2008, to the Regional Director for review and non-objection and upon receipt of the non-objection, the Bank shall implement the Business Plan. By September 30, 2006, and by September 30 of each year hereafter, the Business Plan shall be revised to cover a three-year period ending December 31. The Business Plan shall detail the Bank's overall operating strategy, including pro forma financial statements and relevant assumptions for the period covered in the Business Plan.

b. The Board shall review and document the Bank's compliance with the Business Plan at least once each calendar quarter. A copy of the Board's documentation of this review shall be submitted to the Regional Director within thirty (30) calendar days following each review. If loans shall be classified differently in the Business Plan than as reported under the Thrift Financial Report Instruction Manual (TFR), a quarterly reconciliation of loans reported under the Business Plan versus the TFR instructions shall be submitted to the OTS with the Board's quarterly documented review.

c. The Bank shall adhere to the OTS approved Business Plan in all material aspects.

10. Independent Loan Review.

a. The Board shall continue to engage an independent loan reviewer to perform a loan review (Independent Loan Review). Such reviews shall be conducted semi-annually, including in the first half of 2006. At a minimum, the Independent Loan Review shall continue to provide an analysis of the quality and adequacy of all of the Bank's: (a) loan portfolios; (b) loan underwriting policies and procedures; (c) loan approval procedures; (d) loan monitoring policies and procedures; (e) loan documentation; and (f) lending limitations. The Bank shall provide the Regional Director with the name of the independent loan reviewer and a copy of the scope of the Independent Loan Review within fifteen (15) days following approval of the engagement by the board. Upon receipt of the approval of the engagement for 2006 by the board, the independent loan reviewer shall complete the initial Independent Loan Review within one hundred twenty (120) days.

b. A copy of the first semi-annual Independent Loan Review along with the Board's response to any recommendations for corrective action shall be submitted to the Regional Director not later than August 31, 2006. The subsequent Independent Loan Reviews, along with the Board's response to any recommendations for corrective action, shall be submitted to the Regional Director not later than 60 days after the completion of each review.

11. Compliance with Order.

a. The Board shall establish and maintain a Compliance Committee (Committee), comprising solely of three (3) or more independent directors. The Committee shall be responsible for monitoring and coordinating the Bank's adherence to the provisions of this Order. The Committee shall meet at least monthly.

b. By March 31, 2006, and thereafter before the end of each month, the Committee shall submit a written progress report to the Board comprehensively detailing the actions needed to achieve full compliance with each Article of this Order, the actions taken to comply with each Article of this Order, and the results of those actions. The Committee minutes shall clearly detail their discussions concerning the Order in a section marked "Compliance with Order".

c. The Board, on a monthly basis, shall adopt a resolution (Compliance Resolution) formally resolving that, following a diligent inquiry of relevant information (including reports of management and progress report from the Committee), to the best of its knowledge and belief, during the immediately preceding month, the Bank has complied in all material respects with each provision of this Order currently in effect,

except as otherwise stated. The Compliance Resolution shall specify in detail how, if at all, full compliance was found not to exist.

d. The minutes of the meeting of the Board shall clearly indicate the following information with respect to the adoption of each Compliance Resolution: (i) the identity of each director voting in favor of its adoption; and (ii) the identity of each director voting in opposition to its adoption or abstaining from voting thereon, setting forth each such director's reasoning for opposing or abstaining.

e. No later than the 5th calendar day after a Board meeting, the Bank shall provide to the OTS a certified true copy of the Compliance Resolution adopted at the Board meeting. The Board, by virtue of the Bank's submission of a certified true copy of each such Compliance Resolution to the OTS, shall be deemed to have certified to the accuracy of the statements set forth in each Compliance Resolution, except as provided below. In the event that one or more directors do not agree with the representations set forth in a Compliance Resolution, such disagreement shall be noted in the minutes of the Bank.

f. The Bank shall promptly respond to any request from the OTS for documents that the OTS reasonably requests to demonstrate compliance with this Order.

12. Definitions. All technical words or terms in this Order and the Stipulation for which meanings are not specified by the provisions of this Order shall, insofar as applicable, have meanings as defined in the BSA Requirements, Chapter V of Title 12 of the Code of Federal Regulations, the Home Owners' Loan Act (HOLA), Federal Deposit Insurance Act (FDIA), or OTS publications. Any such technical words or terms used in this Order and undefined in the BSA Requirements, Code of Federal

Regulations, HOLA, FDIA or OTS publications, shall have meanings that are in accordance with the best custom and usage in the savings and loan industry.

13. **Successor Statutes, Regulations, Guidance.** Reference in this Order to provisions of statutes, regulations, OTS memoranda, and other published regulatory guidance shall be deemed to include references to all amendments to such provisions as have been made as of the Effective Date and references to successor provisions as they become applicable.

14. **No Violation Authorized; OTS Not Restricted.** Nothing in this Order or the Stipulation shall be construed as: (i) allowing the Bank to violate any law, rule, regulation, or policy statement to which it is subject, or (ii) restricting or estopping the OTS from taking any action(s) that it believes are appropriate in fulfilling the responsibilities placed upon it by law including, without limitation, any type of supervisory, enforcement or other action that OTS determines to be appropriate, arising out of matters described in the most recent Report of Examination, or based on other matters.

15. **Miscellaneous.**

a. Time limitations for compliance with the terms of this Order, unless otherwise specified, run from the Effective Date.

b. The section and paragraph headings herein are for convenience only and shall not affect the construction hereof.

c. In case any provision in this Order is ruled to be invalid, illegal or unenforceable by a decision of any court of competent jurisdiction, the validity, legality, and enforceability of the remaining provisions hereof shall not in any way be affected or

impaired thereby, unless the Regional Director in his/her sole discretion determines otherwise.

d. The Stipulation is made a part hereof and is incorporated herein by this reference.

16. Notices.

a. Except as otherwise provided herein, any request, demand, authorization, direction, notice, consent, waiver, or other document provided or permitted by the Order to be made upon, given or furnished to, delivered to, or filed with:

(i) The OTS, by the Bank, shall be sufficient for every purpose hereunder if in writing and mailed, first class, postage prepaid or sent via overnight delivery service or physically delivered, in each case addressed to the Regional Deputy Director, Office of Thrift Supervision, Department of the Treasury, One South Wacker Drive, Suite 2000, Chicago, Illinois, 60606 or telecopied to (312) 917-5001 and confirmed by first class mail, postage prepaid, overnight delivery service or physically delivered, in each case to the above address.

(ii) The Bank by the OTS, shall be sufficient for every purpose hereunder if in writing and mailed, first class, postage prepaid, or sent via overnight delivery service or physically delivered, in each case addressed to United Trust Bank at 8028 South Harlem Avenue, Bridgeview, Illinois 60455, or telecopied to (708) 728-9270 and confirmed by first class mail, postage prepaid, overnight delivery service or physically delivered, in each case to the above address.

b. Notices hereunder shall be effective upon receipt, if by mail, overnight delivery service or telecopy, and upon delivery, if by physical delivery. If there is a

dispute about the date on which a written notice has been received by a party to this Order, then, in the event such notice was sent by the United States mail, there shall be a presumption that the notice was received two Business Days after the date of the postmark on the envelope in which the notice was enclosed.

17. **Termination of Prior Orders.** OTS Order No. ATL-2004-13, issued to United Trust Bank by the OTS on May 27, 2004 and OTS Order No. CHI-01-13, issued to United Trust Bank by the OTS on November 5, 2001, are terminated upon the Effective Date of this Order.

18. **Effective Date; Duration.** This Order is and shall become effective on the date it is issued, *i.e.*, the Effective Date as shown on the first page hereof. This Order (including the related Stipulation) shall remain in effect until terminated, modified, or suspended, in writing by the OTS, acting through its Director, Regional Director or other authorized representative.

OFFICE OF THRIFT SUPERVISION

By: /s/
John E. Ryan
Regional Director, Southeast Region